



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

SEP 20 2018

REPLY TO THE ATTENTION OF:

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Environmental Manager
Illinois Corn Processing LLC
1301 South Front Street
Pekin, Illinois 61555

Re: Finding of Violation
Illinois Corn Processing LLC
Pekin, Illinois

Dear Illinois Corn Processing LLC Environmental Manager:

The U.S. Environmental Protection Agency is issuing the enclosed Finding of Violation (FOV) to Illinois Corn Processing LLC (you) under Section 113(a)(3) of the Clean Air Act, 42 U.S.C. § 7413(a)(3). We find that you have violated the National Emissions Standards for Hazardous Air Pollutants: Miscellaneous Organic Chemical Manufacturing and your Title V permit at your Pekin, Illinois facility.

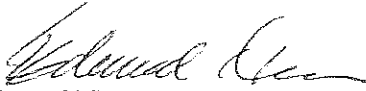
Section 113 of the Clean Air Act gives us several enforcement options. These options include issuing an administrative compliance order, issuing an administrative penalty order and bringing a judicial civil or criminal action.

We are offering you an opportunity to confer with us about the violations alleged in the FOV. The conference will give you an opportunity to present information on the specific findings of violation, any efforts you have taken to comply and the steps you will take to prevent future violations. In addition, in order to make the conference more productive, we encourage you to submit to us information responsive to the FOV prior to the conference date.

Please plan for your facility's technical and management personnel to attend the conference to discuss compliance measures and commitments. You may have an attorney represent you at this conference.

The EPA contact in this matter is Dakota Prentice. You may call him at (312) 886-6761 to request a conference. You should make the request within 10 calendar days following receipt of this letter. We should hold any conference within 30 calendar days following receipt of this letter.

Sincerely,

A handwritten signature in cursive script, appearing to read "Edward Nam", written in dark ink.

Edward Nam
Director
Air and Radiation Division

Enclosure

cc: Julie Armitage, Chief, Bureau of Air
Illinois Environmental Protection Agency

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5**

IN THE MATTER OF:

Illinois Corn Processing LLC
Pekin, Illinois

Proceedings Pursuant to
Section 113(a)(3) of the
Clean Air Act, 42 U.S.C.
§ 7413(a)(1)

FINDING OF VIOLATION

EPA-5-18-IL-15

FINDING OF VIOLATION

The U.S. Environmental Protection Agency (EPA) is issuing this Finding of Violation under Section 113(a)(3) of the Clean Air Act, 42 U.S.C. §§ 7413(a)(3). EPA finds that Illinois Corn Processing LLC (ICP) is violating the National Emission Standards for Hazardous Air Pollutants: Miscellaneous Organic Chemical Manufacturing and its Title V permit at the Pekin, Illinois facility, as follows:

Relevant Statutory and Regulatory Background

National Emission Standards for Hazardous Air Pollutants

1. Section 112 of the Act, 42 U.S.C. § 7412, requires EPA to promulgate a list of all categories and subcategories of major sources and area sources of hazardous air pollutants (HAPs) and establish emissions standards for the categories and subcategories. These emission standards are known as the National Emission Standards for Hazardous Air Pollutants (NESHAP).
2. The NESHAPs in 40 C.F.R. Part 63 are national technology-based performance standards for HAP sources in each category that become effective on a specified date. The purpose of these standards is to ensure that all sources achieve the maximum degree of reduction in emissions of HAPs that EPA determines is achievable for each source category.
3. Section 112(a) of the CAA, 42 U.S.C. § 7412(a), defines “major source” as any stationary source or group of stationary sources located within a contiguous area and under common control that emits or has the potential to emit (PTE) considering controls, in the aggregate, 10 tons per year (TPY) or more of any single HAP or 25 TPY or more of any combination of HAPs.
4. Section 112(i)(3) of CAA, 42 U.S.C. § 7412(i)(3), and 40 C.F.R. § 63.4, prohibit the owner or operator of any source from operating such source in violation of any NESHAP applicable to such source.

5. The NESHAP, at 40 C.F.R. Part 63, Subpart A, contains general provisions applicable to the owner or operator of any stationary source that contains an affected source subject to the NESHAP at Part 63. These general provisions include definitions at 40 C.F.R. § 63.2.
6. The NESHAP, at 40 C.F.R. § 63.2, defines “affected source” as the collection of equipment, activities, or both within a single contiguous area and under common control that is included in a CAA Section 112(c) source category or subcategory for which a Section 112(d) standard or other relevant standard is established pursuant to Section 112 of CAA.
7. The NESHAP, at 40 C.F.R. § 63.2, defines “new source” as any affected source the construction or reconstruction of which is commenced after EPA first proposes a relevant emission standard under 40 C.F.R. Part 63 establishing an emission standard applicable to such source.
8. The NESHAP, at 40 C.F.R. § 63.2, defines “existing source” as any affected source that is not a new source.
9. The NESHAP, at 40 C.F.R. § 63.6(c)(5) states, “Except as provided in paragraph (b)(7) of this section, the owner or operator of an area source that increases its emissions of (or its potential to emit) hazardous air pollutants such that the source becomes a major source shall be subject to relevant standards for existing sources. Such sources must comply by the date specified in the standards for existing area sources that become major sources. If no such compliance date is specified in the standards, the source shall have a period of time to comply with the relevant emission standard that is equivalent to the compliance period specified in the relevant standard for existing sources in existence at the time the standard becomes effective.”

NESHAP for Miscellaneous Organic Chemical Manufacturing at 40 C.F.R. Part 63,
Subpart FFFF

10. On November 10, 2003, EPA promulgated the NESHAP for Miscellaneous Organic Chemical Manufacturing (Miscellaneous Organic NESHAP or MON), codified at 40 C.F.R. Part 63, Subpart FFFF. 68 *Fed. Reg.* 63888. The MON establishes emission standards, requirements to demonstrate initial and continuous compliance with emission limits, operating limits, work practice standards, and recordkeeping requirements associated with miscellaneous organic chemical manufacturing. *See* 40 C.F.R. § 63.2430.
11. 40 C.F.R. § 63.2445(b) states, “If you have an existing source on November 10, 2003, you must comply with the requirements for existing sources in this subpart no later than May 10, 2008.”¹

¹ When initially promulgated on November 10, 2003, the final rule for MON required existing sources to comply no later than November 10, 2006. EPA extended the final compliance date for existing sources to May 10, 2008, due to proposed amendments that were “sufficiently far reaching and complex that an amended rule would effectively be a

12. 40 C.F.R. § 63.2540 references Table 12 of Subpart FFFF to determine those parts of the NESHAP General Provisions that apply to facilities subject to the MON.
13. Table 12 of 40 C.F.R. Part 63, Subpart FFFF, incorporates 40 C.F.R. § 63.6(c)(5) by reference.
14. 40 C.F.R. § 63.2435(a) provides that owners and operators are subject to the MON if they operate miscellaneous organic chemical manufacturing process units (MCPU) that are located at, or are part of, a major source of HAP emissions as defined in Section 112(a) of the CAA.
15. 40 C.F.R. § 63.2550 defines “miscellaneous organic chemical manufacturing process” as all equipment which collectively functions to produce a product or isolated intermediate that is “material” described in 40 C.F.R. § 63.2435(b). Process includes any, all, or a combination of reaction, recovery, separation, purification, or other activity, operation, manufacture, or treatment which is used to produce a product or isolated intermediate.
16. 40 C.F.R. § 63.2435(b)(1)(ii) provides the relevant North American Industry Classification System (NAICS) code for MON applicability as code 325.
17. 40 C.F.R. § 63.2450(a) states that, “You must be in compliance with the emission limits and work practice standards in tables 1 through 7 to this subpart at all times, except during periods of startup, shutdown, and malfunction (SSM), and you must meet the requirements specified in §§63.2455 through 63.2490 (or the alternative means of compliance in §63.2495, §63.2500, or §63.2505), except as specified in paragraphs (b) through (s) of this section. You must meet the notification, reporting, and recordkeeping requirements specified in §§63.2515, 63.2520, and 63.2525.”
18. Table 11 of 40 C.F.R. Part 63, Subpart FFFF, lists reporting requirements for sources subject to the MON. These include the Precompliance Report, due 6 months prior to the compliance date; the Notification of Compliance Status Report, due 150 after the compliance date; and Compliance Reports (semiannual reporting), due semiannually.

Federal Title V Requirements

19. Section 502(a) of the CAA, 42 U.S.C. § 7661a(a), provides that it is unlawful for any person to, among other things, operate a major source subject to Title V except in compliance with a Title V permit after the effective date of any permit program approved or promulgated under Title V of the Act.
20. Pursuant to Section 502(b) of the CAA, 42 U.S.C. § 7661a(b), EPA promulgated regulations establishing the minimum elements of a Title V permit program to be

new rule.” See 70 Fed. Reg. 73100 (December 8, 2005). Consistent with Section 112(i)(3)(A) of the CAA, existing facilities becoming major sources after May 10, 2008, shall have three years to come into compliance with applicable emission standards (*i.e.*, MON compliance).

administered by any air pollution control agency. *See* 57 Fed. Reg. 32295 (July 21, 1992). Those regulations are codified at 40 C.F.R. Part 70.

21. Section 502(d) of the CAA, 42 U.S.C. § 7661a(d), provides that each state must submit to EPA a permit program meeting the requirements of Title V.
22. On December 4, 2001, EPA granted full approval to Illinois' Title V operating permit program. *See* 66 Fed. Reg. 62969. The approved Illinois Title V program is known as the Illinois Clean Air Act Permit Program (CAAPP).
23. On March 24, 2015, the Illinois EPA issued a Title V permit (2015 Title V Permit) to the dry mill ethanol plant at 1301 South Front Street in Pekin, Illinois ("the Facility").
24. Section 4.3.2.d.ii.B of the 2015 Title V Permit, describes the monitoring requirements to demonstrate compliance with volatile organic material (VOM) limits at two dryers controlled by thermal oxidizers, Eco Dryer System BUR6000 (Dryer 6000) and Feed Dryer System 6500 (Dryer 6500), and states in part, "Pursuant to 40 CFR Part 64, Compliance Assurance Monitoring (CAM) for Major Stationary Sources, the Dryer 6500 and Eco-Dryer system are subject to 40 CFR Part 64. The Permittee shall comply with the monitoring requirements of the CAM Plan described in Condition 7.8 and Table 7.8.4 [sic], pursuant to 40 CFR Part 64 as submitted in the Permittee's CAM plan application."
25. Table 7.8.3 of the 2015 Title V Permit (Table 7.8.3 of the CAM Plan) sets forth an "Indicator Range Which Provides a Reasonable Assurance of Compliance." The Indicator Range for thermal oxidizers is a "minimum of 1500 degrees F."
26. Section 7.8.d.i.A of the 2015 Title V Permit states that semiannual monitoring reports shall include a CAM report with "Summary information on the number, duration, and cause of excursions or exceedances [of the Indicator Range] and the corrective actions taken pursuant to 40 CFR 64.6(c)(3) and 64.9(a) (2)(i)."
27. Section 7.8.c. of the 2015 Title V Permit states, "Pursuant to 40 CFR 64.9(b)(1), the source shall maintain records of the monitoring data, monitor performance data, corrective actions taken, monitoring equipment maintenance, and other supporting information related to the monitoring requirements established for CAM."
28. Section 4.3.2.g.ii.E.I.2 of the 2015 Title V Permit provides the records that ICP shall maintain at Dryer 6000 and Dryer 6500 and states, "These records shall include the cause for pollution control equipment [*i.e.* the thermal oxidizers] not operating properly or being out of normal service, for incidents when control equipment failed to operate properly and shall identify the corrective actions that were taken, the repairs that were made, and the steps that were taken to prevent any such reoccurrence".

Relevant Factual Background

29. ICP owns and operates the Facility.
30. EPA conducted a CAA inspection of the Facility on August 29, 2017 (2017 Inspection).

31. EPA issued a CAA Section 114 Information Request to ICP on November 14, 2017 (Information Request).

MON

32. ICP processes corn to produce fuel-grade ethanol (ethyl alcohol), amongst other products. Ethanol production results in the production and emission of acetaldehyde, a HAP, as a by-product.
33. Ethyl alcohol manufacturing is classified under NAICS Code 325 as 325193.
34. In response to the Information Request, ICP provided an annual acetaldehyde PTE of 10.4 TPY.
35. ICP submitted a Construction Permit Application to Illinois EPA, dated January 11, 2016, for the installation of a new methanol stripper system (2016 Permit Application).
36. The 2016 Permit Application states on page one of the cover letter, "The new methanol stripper system will be similar in size and capacity to the existing methanol stripper. However, the new methanol stripper will be operated under vacuum which will result in significantly lower emissions."
37. The 2016 Permit Application states in Attachment D, page 3, "The source is subject to the requirements of 40 CFR 63, Subpart FFFF because it operates miscellaneous organic chemical manufacturing process units (MCPU) at a major source of HAP..."
38. Illinois EPA issued a Construction Permit, dated March 24, 2016, for the installation of the new methanol stripper system (2016 Construction Permit).
39. Condition 2-1a. of the 2016 Construction Permit, states that that the methanol stripper system is subject to the MON.
40. In response to the Information Request, ICP provided three construction permits issued by Illinois EPA preceding the 2016 Construction Permit. These construction permits were dated November 14, 2013, August 28, 2014, and April 1, 2015. Consistent with the 2016 Construction Permit, none of these three construction permits documented any project causing an increase in either VOC or HAP emissions.
41. Because no projects from November 14, 2013 to the present have increased HAP emissions, the Facility has been a major source of HAP and subject to the requirements of the MON since at least November 14, 2013.
42. The Facility was required to be in compliance with the requirements of the MON no later than November 14, 2016.
43. In response to the Information Request, ICP provided semi-annual reports submitted to the Illinois EPA. ICP did not include MON compliance documentation in any semi-annual reports.

44. ICP failed to maintain documents required by the MON, which indicate both the applicability of MON and ICP's compliance with the MON (*i.e.* the Precompliance Report and Notification of Compliance Status Report).

Title V

45. Thermal oxidizer temperature data provided by ICP indicate that Dryer 6000 failed to maintain a minimum temperature of 1500 °F for 2,900 one-hour excursion blocks² from March 31, 2015 through February 28, 2018.
46. Thermal oxidizer temperature data provided by ICP indicate that Dryer 6500 failed to maintain a minimum temperature of 1500 °F for 15,055 one-hour excursion blocks³ from March 31, 2015 through February 28, 2018.
47. ICP failed to include temperature excursion and corrective action data for Dryer 6000 and Dryer 6500 in semiannual monitoring reports submitted to Illinois EPA.
48. ICP failed to provide corrective action records for temperature excursions at Dryer 6000 and Dryer 6500.

Violations

49. By failing to comply with the reporting requirements set forth in Table 11 of 40 C.F.R. Part 63, Subpart FFFF (*i.e.* Precompliance Report and Notification of Compliance Status Reports), ICP has failed to demonstrate compliance with the MON at the Facility, in violation of 40 C.F.R. § 63.2450(a).
50. By failing to include temperature excursion and corrective action data for the thermal oxidizers controlling VOC emissions at Dryer 6000 and Dryer 6500 in its semiannual monitoring reports, ICP violated Section 7.8.d.i.A of its 2015 Title V Permit.
51. By failing to maintain corrective action records for temperature excursions at the thermal oxidizers controlling VOC emissions at Dryer 6000 and Dryer 6500, ICP violated Sections 4.3.2.g.ii.E.I.2 and 7.8.c of its 2015 Title V Permit.

Date

9/20/18

Edward Nam

Director

Air and Radiation Division

² EPA excluded temperature data below 200 °F

³ EPA excluded temperature data below 200 °F

Standard bcc's: Official File Copy w/Attachment(s)
 Originating Organization Reading File w/Attachment(s)
Other bcc's: S. Tennenbaum, C-14J

CERTIFICATE OF MAILING

I certify that I sent a Notice of Violation, No. EPA-5-18-IL-15, by Certified Mail, Return

Receipt Requested, to:

Environmental Manager
Illinois Corn Processing LLC
1301 South Front Street
Pekin, Illinois 61555

I also certify that I sent copies of the Notice of Violation by first-class mail to:

Julie Armitage, Chief, Bureau of Air
Julie.Armitage@Illinois.gov

On the 21st day of September 2018.



Kathy Jones
AECAB, PAS

CERTIFIED MAIL RECEIPT NUMBER: 7017 0530 0000 6289 1755